

Message Text

CONFIDENTIAL

PAGE 01 LIMA 02123 151712Z

53

ACTION EB-07

INFO OCT-01 ARA-06 ISO-00 SS-15 L-02 NSC-05 CAB-02 CIAE-00

COME-00 DODE-00 DOTE-00 INR-07 NSAE-00 FAA-00 SSO-00

/045 W

----- 074063

P R 151620Z MAR 75

FM AMEMBASSY LIMA

TO SECSTATE WASHDC PRIORITY 4317

INFO AMEMBASSY BUENOS AIRES

AMEMBASSY LA PAZ

AMEMBASSY QUITO

C O N F I D E N T I A L LIMA 2123

E.O. 11652: GDS

TAGS: EAIR, PE

SUBJECT: CIVAIR - DISPUTE WITH PERU

REF: STATE 055582

1. DCM AND ECON/COMM COUNSELOR CALLED ON AMBASSADOR GUSTAVO SILVA ARANDA (NEWLY NAMED DIRECTOR OF POLITICAL AFFAIRS) AT FOREIGN MINISTRY ON MARCH 14. MINISTER LUIS SOLARI (MEMBER GOP CIVAIR NEGOTIATING TEAM) WAS ALSO PRESENT FOR PART OF TIME. EMBASSY OFFICERS HANDED SILVA TEXT OF U.S. PAPER (STATE 055580) TOGETHER WITH UNOFFICIAL SPANISH TRANSLATION AND MADE POINTS CONTAINED PARAGRAPH 4 AND 5 REFTEL.

(NOTE: AMBASSADOR EARLIER HAD OPPORTUNITY MAKE GENERAL PRESENTATION THESE POINTS TO FOREIGN MINISTRY SECRETARY GENERAL GARCIA BEDOYA EVENING MARCH 13.) EMBASSY OFFICERS ALSO TOLD SILVA THAT CAB HAS DENIED AEROPERU'S REQUEST FOR 30 DAY EXTENSION BEYOND MARCH 17 FOR FILING RESPONSE TO SHOW CAUSE ORDER.

2. ALTHOUGH INITIALLY SOMEWHAT CONFUSED BY DISTINCTION BETWEEN SHOW CAUSE ORDER AND PART 213 PROCEEDING, SILVA AND SOLARI APPEARED TO UNDERSTAND USG ACTION AND APPRECIATE ITS CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LIMA 02123 151712Z

SIGNIFICANCE. SILVA UNDERTOOK TO INFORM FOREIGN MINISTER AT

EARLIEST OPPORTUNITY AND SAID LATTER WOULD PROBABLY WANT TO INFORM PRESIDENT VELASCO.

3. SOLARI SAID HE WAS SURPRISED THAT USG FELT IT NECESSARY TO TAKE THIS ACTION, SINCE HE UNDERSTOOD THAT CONSIDERABLE PROGRESS HAD BEEN MADE IN COURSE OF INFORMAL CONVERSATIONS BETWEEN BRANIFF LAWYER DEL SOLAR AND DGTA BERCKEMEYER. IN PARTICULAR, SOLARI SAID, HE UNDERSTOOD THAT BERCKEMEYER HAD OFFERED BRANIFF NINE FLIGHTS SOUTH OF LIMA FREE OF PASSENGER QUOTAS. EMBASSY OFFICERS RESPONDED THAT THIS INDEED WOULD REPRESENT PROGRESS, ALTHOUGH THEY COULD NOT SAY WHETHER OR NOT IT WOULD MEET BRANIFF'S NEEDS. HOWEVER, BERCKEMEYER/DEL SOLAR CONVERSATIONS HAD BEEN "INFORMAL", WITH NO INDICATION THAT DGTA OR AEROPERU IN ANY HURRY TO RECOMMENCE FORMAL NEGOTIATIONS WITH SUCH AN OFFER ON THE TABLE. PURPOSE OF PART 213 ACTION IS TO ENCOURAGE SUCH NEGOTIATIONS.

4. BOTH SILVA AND SOLARI WERE ANXIOUS TO KNOW WHETHER, PURSUANT TO PART 213 ACTION, CAB "WOULD" OR ONLY "MIGHT" RESTRICT AEROPERU. EMBASSY OFFICERS REPLIED THAT TO BEST THEIR KNOWLEDGE CAB WOULD RESTRICT AEROPERU WITHIN ABOUT FORTY DAYS IF THERE IS NO PROGRESS IN NEGOTIATIONS; HOWEVER, CAB WOULD PROBABLY NOT TAKE FINAL ACTION IF IT APPEARED THAT GOOD FAITH NEGOTIATIONS WERE IN PROGRESS. IN MEANTIME, USG HOPED THAT RESPONSE TO QUESTIONS WOULD INDICATE WHETHER GOP IS GENUINELY INTERESTED IN SETTLEMENT. THEY URGED REPLY BY MARCH 21.

5. SILVA (WHO POINTED OUT THAT HE HAD AT ONE TIME SERVED AS SECRETARY GENERAL OF PRESIDENT'S HOUSEHOLD, KNOWS PSYCHOLOGY OF PERU'S MILITARY LEADERS WELL, AND IS A "REVOLUTIONARY" HIMSELF) THEN LAUNCHED INTO LONG DISCUSSION OF HOW U.S. "RETALIATION" AGAINST AEROPERU WILL BE RECEIVED BY GOP. ACTION WILL BE DEEPLY RESENTED, AND ANGRY REACTION COULD DISPEL WHATEVER CHANCE OF AGREEMENT THERE MIGHT BE. HE WISHED CAB WOULD NOT TAKE THE ACTION AND ASKED WHETHER IT HAD ALREADY BEEN INITIATED. EMBASSY OFFICERS SAID THEY UNCERTAIN AS TO EXACT TIMING AND ASKED SILVA WHETHER HE WAS REQUESTING THAT USG POSTPONE THIS STEP. SILVA DEMURRED, SAYING HE WAS ONLY EXPRESSING OPINION OF HIS LEVEL IN MINISTRY; DECISIONS ARE TAKEN BY MINISTERS.

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 LIMA 02123 151712Z

6. BOTH SILVA AND SOLARI MADE POINT THAT BRANIFF'S REPUTATION IN PERU AND WITH GOP HAD TAKEN ANOTHER NOSEDIVE AS RESULT DISCLOSURE OF ITS POLITICAL CAMPAIGN FUND ACTIVITIES.

7. COMMENT: ECON/COMM COUNSELOR HAS APPOINTMENT WITH DGTA BERCKEMEYER ON MARCH 17 AND PLANS TO MAKE SIMILAR PRESENTATION. HOWEVER, SILVA'S REACTION LEADS US TO BELIEVE THAT MINISTERIAL, IF NOT PRESIDENTIAL, LEVEL OF GOP WILL VERY SHORTLY BE FULLY AWARE

THAT, IN ABSENCE OF SIGNIFICANT FORWARD PROGRESS IN RESOLVING DISPUTE, SUSPENSION OF AEROPERU FLIGHTS WILL TAKE PLACE IN RELATIVELY NEAR FUTURE. WE ALSO BELIEVE SILVA IS PROBABLY CORRECT IN PREDICTING MINISTERIAL RESENTMENT, BUT THIS WAS ALWAYS A CALCULATED RISK.

8. WITH RESPECT TO DEPARTMENT'S COMMENT THAT WE MIGHT MAKE BETTER PROGRESS IF DETAILED NEGOTIATIONS WERE WITH FOREIGN MINISTRY, WHILE WE AGREE, WE THINK THERE IS LITTLE PRACTICAL LIKELIHOOD OF MOVING THEM INTO THIS CONTEXT. GOP APPEARS AT THE MOMENT TO BELIEVE THAT THERE IS LESS RISK OF ESCALATING CIVIL DISPUTE INTO CONFRONTATION IF NEGOTIATIONS TAKE PLACE AT AIRLINE LEVEL (SEE PRIME MINISTER MORALES BERMUDEZ' REMARKS TO ASSISTANT SECRETARY ROGERS AND AMBASSADOR - LIMA 2060). IF AND WHEN TALKS DO RESUME AT GOVERNMENTAL LEVEL, WE THINK IT WOULD BE MOST DIFFICULT, IF NOT IMPOSSIBLE, TO PERSUADE GOP TO CHANGE VENUE FROM THE MINISTRY OF TRANSPORT TO THE MINISTRY OF FOREIGN RELATIONS.
DEAN

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AIRLINES, AIR SCHEDULES, NEGOTIATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 15 MAR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ShawDG
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975LIMA02123
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750091-0735
From: LIMA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750347/aaaabqgf.tel
Line Count: 134
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 75 STATE 055582
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 03 SEP 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <03 SEP 2003 by CunninFX>; APPROVED <03 SEP 2003 by ShawDG>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CIVAIR - DISPUTE WITH PERU
TAGS: EAIR, PE, US, BRANIFF, AEROPERU
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006